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#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-520-807]

Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Final Results of Antidumping Duty Administrative Review; 2016-2017

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that producers and/or exporters subject to this administrative review made sales of subject merchandise at less than normal value during the period of review (POR) June 8, 2016 through November 30, 2017.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Manuel Rey or Whitley Herndon, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5518 or (202) 482-6274, respectively.

## SUPPLEMENTARY INFORMATION:

## Background

This review covers nine producers and exporters of the subject merchandise. Commerce selected two companies, Ajmal Steel Tubes & Pipes Ind. L.L.C. (Ajmal)/Noble Steel Industries L.L.C (Noble Steel) (collectively, Ajmal Steel)<sup>1</sup> and Universal Tube and Plastic Industries, Ltd.

<sup>1</sup> On December 11, 2018, we preliminarily collapsed Ajmal and Noble Steel. *See* Memorandum, "Whether to Collapse Ajmal Steel Tubes and Pipes Ind. L.L.C. and Noble Steel Industries L.L.C. in the 2016-2017 Antidumping Duty Administrative Review of Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates," dated December 11, 2018. Because no party commented on this decision, we continue to find it appropriate to collapse Ajmal and Noble for purposes of the final results.

(UTP)/THL Tube and Pipe Industries LLC (TTP)/KHK Scaffolding and Formwork LLC (collectively, Universal).<sup>2</sup> The producers and or exporters not selected for individual examination are listed in the "Final Results of the Review" section of this notice.

On February 21, 2019, Commerce published the *Preliminary Results*. In March 2019, Ajmal Steel and Universal submitted case briefs.

On May 8, 2019, we issued a post-preliminary determination related to an alleged particular market situation in this administrative review.<sup>4</sup> In May 2019, the petitioners<sup>5</sup> submitted a case brief related to the post-preliminary determination,<sup>6</sup> and Ajmal Steel and Universal submitted rebuttal briefs on this topic.<sup>7</sup> On May 23, 2019, we postponed the final results by 60 days, until August 20, 2019.<sup>8</sup>

Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

## Scope of the Order

The merchandise subject to the order is welded carbon-quality steel pipes and tube, of circular cross-section, with an outside diameter not more than nominal 16 inches (406.4 mm),

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<sup>&</sup>lt;sup>2</sup> On January 31, 2019, we preliminarily found that TTP is the successor-in-interest to UTP. *See* Memorandum, "Successor-In-Interest Determination in the 2016-2017 Antidumping Duty Administrative Review on Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates," dated January 31, 2019. Because no party commented on this decision, we continue to find TTP to be the successor-in-interest to UTP.

<sup>&</sup>lt;sup>3</sup> See Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: Preliminary Results of Antidumping Duty Administrative Review; 2016-2017,84 FR 5417 (February 21, 2019) (Preliminary Results), and accompanying Preliminary Decision Memorandum (PDM).

<sup>&</sup>lt;sup>4</sup> See Memorandum, "Antidumping Administrative Review of Circular Welded Pipe from the United Arab Emirates: Post-Preliminary Determination Regarding Particular Market Situation Allegation," dated May 8, 2019.

<sup>&</sup>lt;sup>5</sup> The petitioners are Bull Moose Tube Company and Wheatland Tube Company.

<sup>&</sup>lt;sup>6</sup> See Petitioners' Case Brief, "Circular Welded Carbon-Quality Steel Pipe from The United Arab Emirates: Petitioners' Brief Regarding the Particular Market Situation," dated May 16, 2019.

<sup>&</sup>lt;sup>7</sup> See Universal's Letter, "Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates – Rebuttal Brief Regarding Petitioners' Particular Market Situation Allegation," dated May 21, 2019; and Ajmal Steel's Letter, "Administrative Review of the Antidumping Duty Order on Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates; Post-Preliminary Determination on Particular Market Situation: Rebuttal Brief," dated May 21, 2019.

<sup>&</sup>lt;sup>8</sup> See Memorandum, "Circular Welded Carbon-Quality Steel Pipe from the United Arab Emirates: 2016-2017 Administrative Review: Extension of Deadline for Final Results," dated May 23, 2019.

regardless of wall thickness, surface finish (*e.g.*, black, galvanized or painted), end finish (plain end, beveled end, grooved, threaded, or threaded and coupled), or industry specification (*e.g.*, American Society for Testing and Materials International (ASTM), proprietary, or other), generally known as standard pipe, fence pipe and tube, sprinkler pipe, and structural pipe (although subject product may also be referred to as mechanical tubing). The products subject to this order are currently classifiable in Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 7306.19.1010, 7306.19.1050, 7306.30.5110, 7306.30.5150, 7306.30.5020, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, 7306.30.5090, 7306.50.1000, 7306.50.5030, 7306.50.5050, and 7306.50.5070. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs are listed in the appendix to this notice and addressed in the Issues and Decision Memorandum. Interested parties can find a complete discussion of these issues and the corresponding recommendations in this public memorandum, which is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a>, and is also available to all interested parties in the Central Records Unit, room B8024, of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at

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<sup>&</sup>lt;sup>9</sup> See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2016-2017 Administrative Review of the Antidumping Duty Order on Circular Welded Carbon-Quality Steel Pipes and Tubes from the United Arab Emirates," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

http://enforcement.trade.gov/frn/index.html. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

## Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made certain changes to the preliminary weighted-average margin calculations for Ajmal Steel and those companies not selected for individual review.<sup>10</sup>

## Final Results of the Review

We have determined that the following weighted-average dumping margins exist for the following firms during the period June 8, 2016 through November 30, 2017:

Exporter/Produce r	Weighted-Average Dumping Margin (percent)
Ajmal Steel Tubes & Pipes Ind. L.L.C. (Ajmal)/Noble Steel Industries L.L.C	2.83
Universal Tube and Plastic Industries, Ltd. (UTP)/THL Tube and Pipe Industries LLC (TTP)/KHK Scaffolding and Formwork LLC	1.65

We have determined that the review-specific average rate is applicable to the following companies: 11

Exporter/Produce r	Weighted-Average Dumping Margin (percent)
Abu Dhabi Metal Pipes and Profiles Industries Complex	2.24
Ferrolab LLC	2.24

<sup>&</sup>lt;sup>10</sup> See Issues and Decision Memorandum.

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<sup>&</sup>lt;sup>11</sup> This rate is based on the simple average of the margins calculated for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part, 75 FR 53661, 53663 (September 1, 2010).

Global Steel Industries	2.24
Lamprell	2.24
Link Middle East Ltd.	2.24
PSL FZE	2.24
Three Star Metal Ind LLC	2.24

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review.

Pursuant to 19 CFR 351.212(b)(1), because Ajmal Steel and Universal reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties. We intend to instruct CBP to take into account the "provisional measures deposit cap," in accordance with 19 CFR 351.212(d).

For the companies which were not selected for individual review, we will assign an assessment rate based on the average<sup>12</sup> of the cash deposit rates calculated for Ajmal Steel and Universal. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>13</sup>

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>14</sup>

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this administrative review.

#### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated companies not

<sup>&</sup>lt;sup>12</sup> This rate was calculated as discussed in footnote 10. <sup>13</sup> *See* section 751(a)(2)(C) of the Act.

<sup>&</sup>lt;sup>14</sup> For a full discussion of this practice, see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently-completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, or a previous segment of this proceeding, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 5.95 percent, the all-others rate established in the less than fair value investigation. These deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

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<sup>&</sup>lt;sup>15</sup> See Circular Welded Carbon-Quality Steel Pipe from the Sultanate of Oman, Pakistan, and the United Arab Emirates: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Orders, 81 FR 91906 (December 19, 2016).

# Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act

**Dated:** August 20, 2019.

# Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

## **Appendix**

## List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Margin Calculations
- IV. Discussion of the Issues
  - 1: Existence of a Particular Market Situation (PMS)
  - 2: Billing Adjustments
  - 3: Cost Database
  - 4: Quantity Discounts in the Home Market
  - 5: Level of Trade (LOT) for Universal's Affiliated Resellers
- V. Recommendation

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